Prepared By Amanda Beams 513 Energy Center Blod, Suit 1004 Northport, JAL 35473 205-248-8891

S:\LEGAL.LEG\Jessica\SNDAs\7398SNDAFrm.doc REV:jma:06/12/06 P 8/30/06 9:19:01 P3 BK 115 P6 611 P2 DESOTO COUNTY, MS W.E. DAVIS, CH CLERK

SUBORDINATION, NON-DISTURBANCE AND ATTORNMENT AGREEMENT

WHEREAS, Tenant and Maui Properties, L.L.C. ("Landlord") have entered into a Lease dated February 15, 1999 as amended by Letter Agreement dated June 25, 2001 (the "Lease") covering all of certain premises situated at 3100 Goodman Road, Horn Lake, Mississippi as set forth in the Lease (the "Premises"); and

WHEREAS, Lender has made or is about to make a loan to Landlord secured by a mortgage covering the Premises demised under the Lease (the "Mortgage") and intended to be recorded in the public records; and

WHEREAS, Tenant has agreed that its rights in and pursuant to the Lease are and shall be subordinate to the Mortgage, provided Lender executes and delivers to Tenant a Non-Disturbance Agreement, which Lender is willing to provide on condition that Tenant agrees to attorn to Lender;

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained herein, and for other good and valuable consideration, receipt of which is hereby acknowledged, it is agreed:

- 1. <u>Subordination</u>. The Lease is and shall be subject and subordinate to the Mortgage insofar as it affects the Demised Premises, and to all renewals, modifications, consolidations, replacements and extensions thereof, and to all future advances made thereunder.
- 2. <u>Non-Disturbance Agreement</u>. As long as Tenant is not in default beyond any applicable grace period in the payment of rent, additional rent or other charges or in the performance of any of the other terms or conditions of the Lease, Tenant's rights under the Lease and its possession of the Premises will not be interfered with or disturbed by Lender during the term of the Lease (including any renewal or extension term) following acquisition of title to the Property (a) by Lender or the purchaser at a foreclosure sale pursuant to any action or proceeding to foreclose the Mortgage, or (b) by Lender pursuant to acceptance of a deed in lieu of foreclosure (in either case, a "Transfer of Ownership").
- 3. Attornment Agreement. If a Transfer of Ownership occurs, Lender and Tenant will be bound to each other, as landlord and tenant, respectively, under all of the terms and conditions of the Lease for the balance of the term thereof (including any renewal or extension term), and Tenant hereby attorns to Lender as its landlord, such attornment to be effective and self-operative, without the execution of any other instruments on the part of either party hereto, immediately upon a Transfer of Ownership. As used in this Article and in the subsequent provisions hereof, whenever the context allows, the term "Lender" will also include a purchaser of the Property at a foreclosure sale.
 - 4. <u>Lender's Liability</u>. Notwithstanding any other provision of this

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Agreement, Lender will not be: (a) liable for acts or omissions of any prior landlord (including Landlord) unless such acts or omissions are continuing after attornment or unless otherwise provided by law; (b) subject to offsets or defenses that Tenant might have had against any prior landlord (including Landlord) unless such offsets or defenses are continuing after attornment or unless otherwise provided by law; (c) bound by rent, additional rent or other charges that Tenant might have paid for more than 30 days in advance to any prior landlord (including Landlord) except as provided in the Lease; (d) bound by any amendment or modification of the Lease hereafter made without Lender's prior written consent, which consent will not be unreasonably withheld (except to the extent that the Lease may specifically contemplate any amendment or modification thereof); or (e) responsible for money or other security delivered to Landlord pursuant to the Lease but not subsequently received by Lender.

- 5. <u>Lender's Right to Cure Default</u>. No notice by Tenant to Landlord of any breach or default by Landlord under the Lease will be effective unless and until (a) a copy of the notice is received by Lender, and (b) a reasonable period of time, if no time period is specified in the Lease, has elapsed following Lender's receipt of such copy, during which period Lender will have the right, but will not be obligated, to cure the breach or default.
- 6. <u>Notices</u>. To be effective, any notice or other communication given pursuant to this Agreement must be in writing and sent postpaid by United States registered or certified mail with return receipt requested. Rejection or other refusal to accept, or inability to deliver because of changed address of which no notice has been given, will constitute receipt of the notice or other communication.
- 7. <u>Counterparts</u>. This Agreement or any counterpart may be executed and delivered by facsimile transmission with an executed hard copy to follow.

The agreements contained herein shall bind and inure to the benefit of the successors and assigns in interest of the parties hereto, and, without limitation of the foregoing generality, the agreements of Lender herein shall specifically be binding upon any purchaser or successor of said property at a sale foreclosing said Mortgage or in lieu of such foreclosure.

IN WITNESS WHEREOF, the parties hereof have caused the execution hereof as of the date first above written.

WITNESS OR ATTEST:

TENANT: HARCO, INC.

Lisa M. Winnick

Authorized Representative

LENDER:

WELLS FARGO BANK, N.A.

COMMONWEALTH OF PENNSYLVANIA

COUNTY OF CUMBERLAND

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On the day of , A.D. 2006, before me, the undersigned authorized representative, personally appeared Lisa M. Winnick, who acknowledged herself to be the Authorized Representative of Harco, Inc., a corporation, and that she as such Authorized Representative, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation by herself as Authorized Representative.
IN WITNESS WHEREOF, I have hereunto set my hand and Notarial Seal.
My Commission Expires:
COMMONWEALTH OF PENNSYLVANIA NOTARIAL SEAL LINDA L BROWN, NOTARY PUBLIC EAST PENNSBORO TWP., CUMBERLAND CO. MY COMMISSION EXPIRES JUNE 18, 2008 COUNTY OF
On the day of, A.D. 2006, before me, the undersigned officer, personally appeared, who acknowledged him/herself to be the of, a corporation, and that (s)he as such, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation by him/herself as
IN WITNESS WHEREOF, I have hereunto set my hand and Notarial Seal.
My Commission Expires:

CALIFORNIA ALL-PURPOSE ACKNOWLEDGEMENT

State of California)
) SS
County of San Francisco)

On July 25, 2006, before me, Dorina P. Gonzalez, Notary Public, personally appeared Mryna Rowland, personally known to me to be the person whose name is subscribed to the within instrument and acknowledged to me that she executed the same in her authorized capacity, and that by her signature on the instrument the person, or the entity upon behalf of which the person acted, executed the instrument.

WITNESS my hand and official seal.

1.

DORINA P. GONZALEZ
Committelon # 1626226
Notary Public - California
San Francisco County
ly Comm. Expires Dec 2, 2009

Dorina P. Gonzalez, Notary Public

My Commission Expires: December 2, 2009

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In reference to the Subordination, Non-Disturbance and Attornment Agreement dated 9/9/06, Rite Aid Corporation confirms that its February 15, 1999 guarantee to the above-referenced Lease dated February 15, 1999 as amended by Letter Agreement dated June 25, 2001 by and between Maui Properties, L.L.C. and Harco, Inc. is in full force and effect.

RITE AID CORPORATION

Lisa M. Winnick

)

Authorized Representative

COMMONWEALTH OF PENNSYLVANIA)

COUNTY OF CUMBERLAND

On the 27th day of July, 2006, before me, the undersigned officer, personally appeared Lisa M Winnick, who acknowledged herself to be the Authorized Representative of HARCO, INC., a corporation, and that she as such Authorized Representative, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing the name of the corporation by herself as Authorized Representative.

IN WITNESS WHEREOF, I have hereunto set my hand and Notarial Seal.

My Commission Expires:

COMMONWEALTH OF PENNSYLVANIA

NOTARIAL SEAL

LINDA L BROWN, NOTARY PUBLIC

EAST PENNSBORO TWP., CUMBERLAND CO.

MY COMMISSION EXPIRES JUNE 18, 2008